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February 15, 2008

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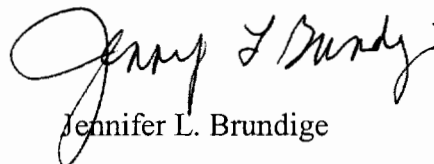
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Re: Docket 08-00012 Request of Chattanooga Gas Company for Approval of
Asset Management Agreement

Dear Tim and Steve:

Enclosed please find Chattanooga Gas Company's ("CGC") responses to the remaining Data Requests propounded by the Consumer Advocate on February 11, 2008 (i.e., Nos. 4, 5, and 8). CGC is reserving its right to supplement its responses if necessary.

Sincerely yours,



Jennifer L. Brundige

Enclosure

cc: Kelly Cashman-Grams
Elizabeth Wade, Esq.
Archie Hickerson

Chattanooga Gas Company
Docket No. 08-00012
Consumer Advocate Data Request
2/15/2008

4. Explain why the Cooperation section (P. 10, ¶ 14) is included in the Asset Management and Agency Agreement (“AMAA”).

Response:

In order to maximize reliability and value associated with asset management, the relationship requires constant, consistent, and unfiltered communication regarding distribution system condition, customer behavior, and operational capability. The Cooperation section of the agreement is included to ensure an atmosphere between representatives of both the utility and asset manager exists that will encourage this type of communication.

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5. Explain how the elimination of the Cooperation section would harm CGC and Sequent Energy Management.

Response:

CGC does not represent Sequent and cannot speculate as to the ways in which the elimination of the Cooperation section would harm Sequent.

Elimination of the Cooperation Section may well result in personnel for the utility being inhibited in what information they may share with asset manager personnel until the data is verified. This may result in reducing the gain that the asset manager is able to achieve for CGC's customers.

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8. Admit that the TRA has jurisdiction over the Asset Manager to the extent that the Asset Manager has contractual rights to and actual use of any assets of CGC. If the response is not an unqualified admission, explain the response.

Response:

CGC objects to this request as it seeks to obtain CGC's legal analysis and legal conclusions which are privileged and confidential. Without waiving this objection, CGC denies that the TRA has jurisdiction over the Asset Manager.